



# House Appropriations Sub-Committee on Debt

12.8.2011

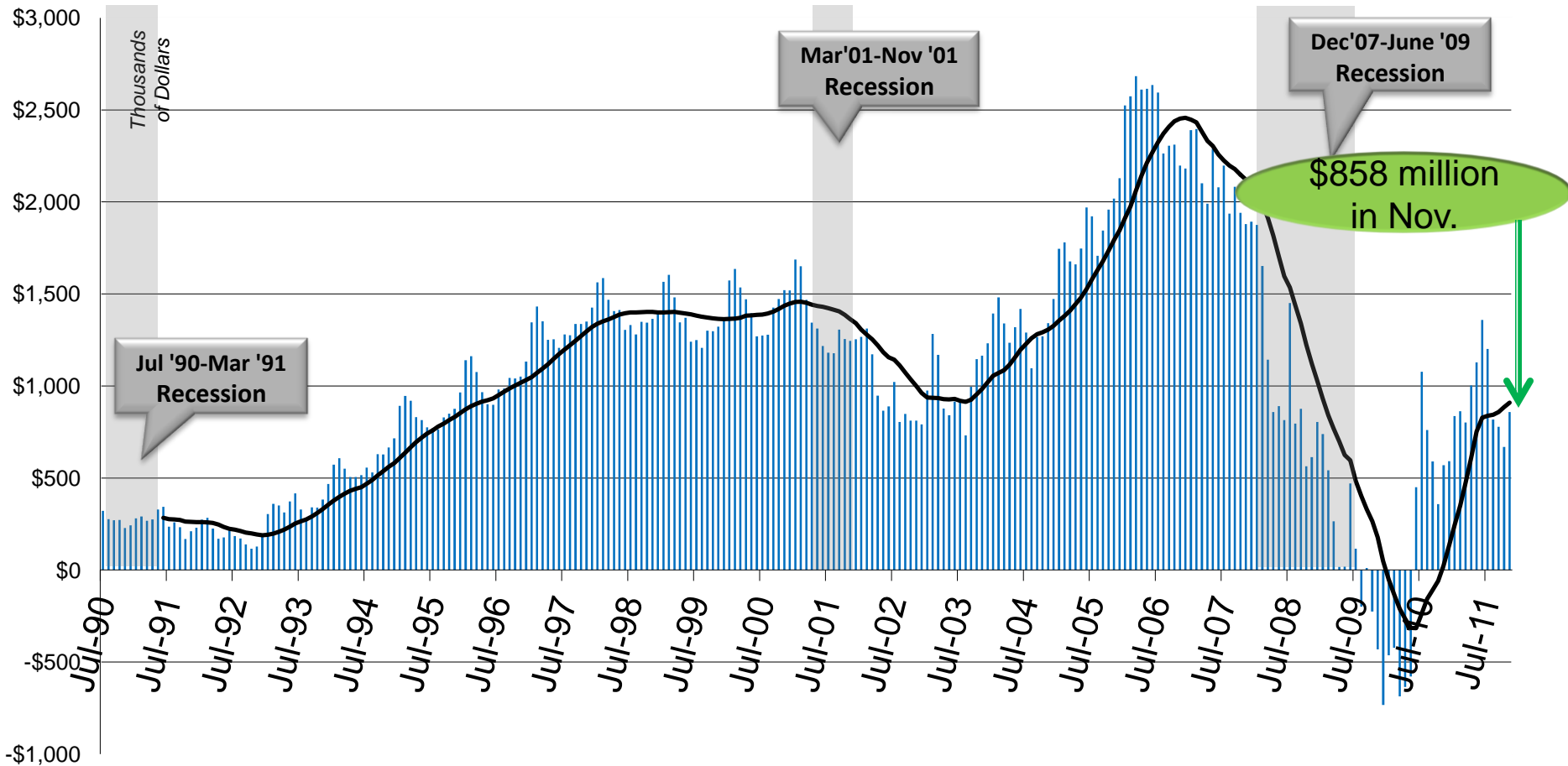
OFFICE OF THE ARIZONA STATE TREASURER



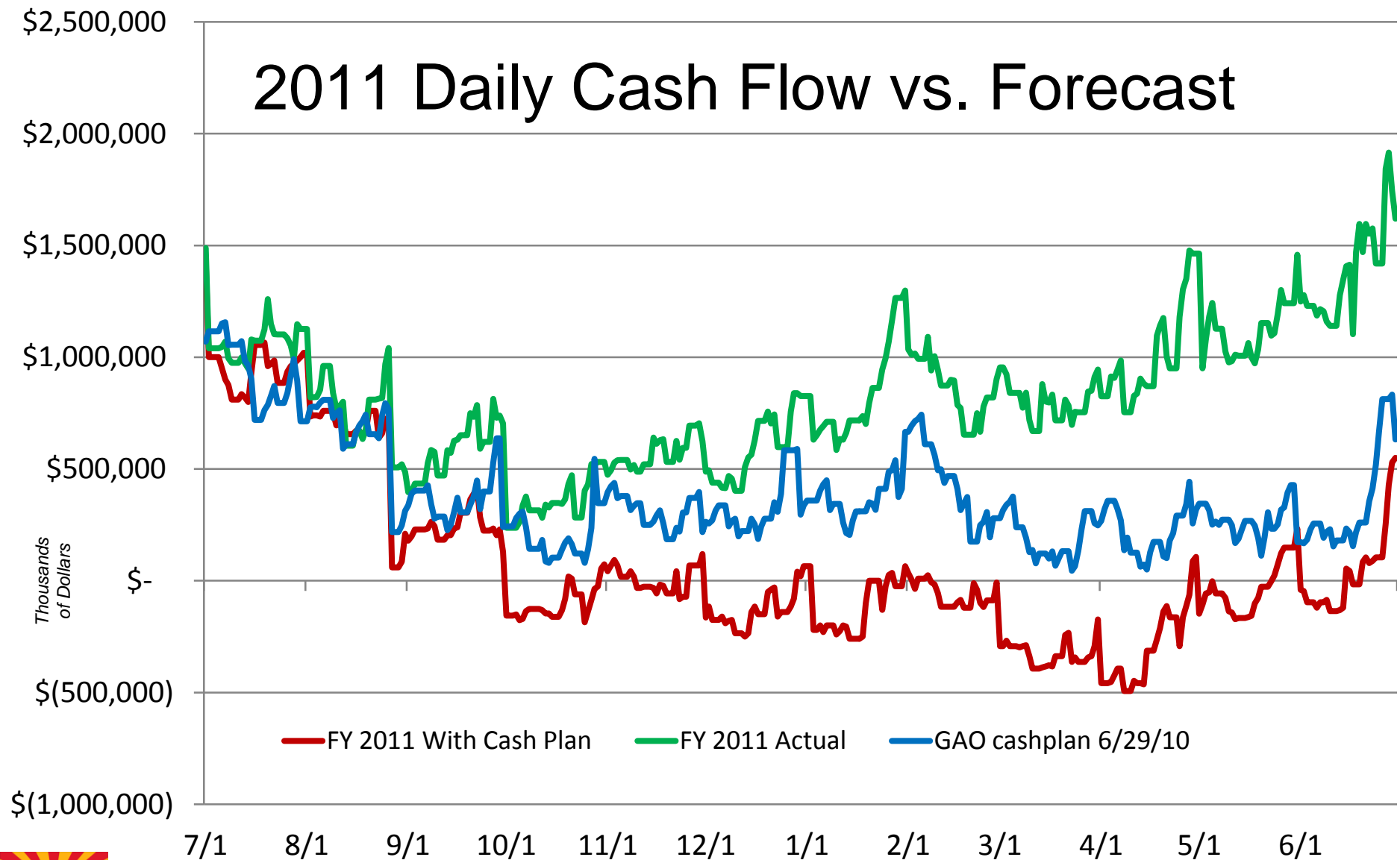
# STATE CASH FLOW

TOTAL OPERATING ACCOUNT AVERAGE MONTHLY BALANCE

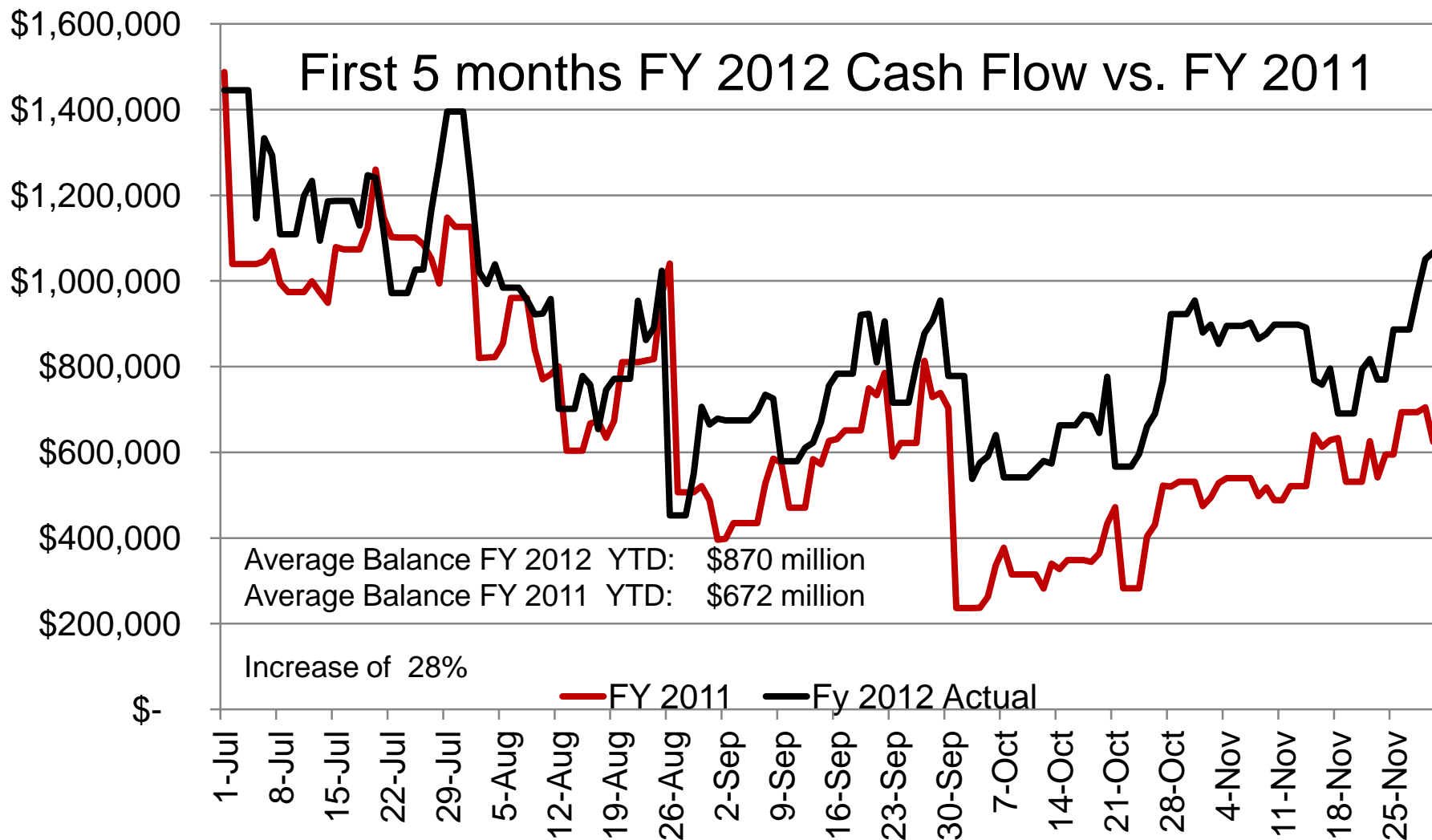
**Up 28% through Nov. 2011**



# STATE CASH FLOW



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# State Balance Sheet/ Fiscal Issues

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# STATE BALANCE SHEET

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- \$0 set aside for emergencies
- \$382 million in use of fund transfers and one-time revenue sources
- \$905 million of temporary 1-cent sales tax
- \$1.3 billion of bill deferments: K-12 rollover, AHCCCS; Universities, DES



# LONGER TERM ISSUES

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- Medicaid: President's health care plan wipes out budget in 2014 and beyond
- \$900 million of formula suspensions
- \$1.5 billion of operating debt leftover
- Pension Funds: Unfunded liability of 4 plans is \$16.2 billion, with +/- \$3.7 billion of that state's responsibility split between employees and taxpayers.
- Regulatory and tax reform issues



# CONCLUSION

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**Address Balance Sheet Items**

**+**

**Address Longer Term Issues**

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**Budget Surplus**

